



DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY



Standard Financial Information Structure (SFIS)

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Outline

SFIS Description

Background

Implementation

Back Up Slides

Approach - Carry All SFIS Data

Alternative Approach – Referential
Data



SFIS Description

SFIS is a common business language that enables budgeting, performance-based management, and the generation of financial statements. SFIS is a comprehensive data structure that supports requirements for budgeting, financial accounting, cost/performance, and external reporting needs across the DoD enterprise. SFIS standardizes financial reporting across the Department of Defense (DoD) and allows revenues and expenses to be reported by programs that align with major goals, rather than basing reporting primarily by appropriation categories. It also enables decision-makers to efficiently compare programs and their associated activities and costs across DoD, as well as provides a basis for common valuation of DoD programs, assets, and liabilities.

<http://www.bta.mil/products/sfis.html>



Background

- **Goal:** Provide a means for logistics systems to exchange SFIS data in “Target To-Be” environment
- **Current Process:**
 - Fund Code plus bill-to DoDAAC and signal code identifies the appropriation chargeable for an Interfund transaction
 - 9 billion logistics transactions; \$54B in Interfund bills per year
- SFIS data cannot be accommodated in 80 record position MILS transactions
 - May be accomplished in modernized DLMS transactions
 - Many systems, including DFAS & Federal Agency systems, not yet DLMS capable



Background Continued

- DLMS Change Process Per DoD 4000.25-M
 - Proposed DLMS Changes (PDC's) staffed with Component/Agency Process Review Committees (PRCs)
 - Approved DLMS Change issued to implement change
- Logistics Management Standards initiated discussions with BTA in 2007; held subsequent meetings, including PRC briefings
- Working Group draft PDC briefed to Supply/Finance PRCs in 2009
 - Contained approach to carry SFIS data elements
 - Contained alternative approach for Referential Data



Background Continued

- Staffed PDC 365 with proposed SFIS elements:
 - Department Regular Code
 - Department Transfer Code
 - Period of Availability Fiscal Year Date (subsequently split)
 - Main Account Code
 - Sub-Account Code
 - Treasury Sub Class
 - Business Partner Number
 - Limit/Subhead (Legacy for transition)
- Included an approach to add above data elements to DLMS
- Included alternative approach for Referential Data using Fund Code
 - Components/Agencies selected Referential Data approach
- Issued ADC 435



Implementation

- **“Business Partner Number” will be added to applicable DLMS transactions as an authorized enhancement for staggered implementation.**
 - **Under the current SFIS concept the requirement to pass the BPN for Non-DoD buyers and sellers may have significant impact. This includes Special Program DoDAACs identified in ADC 384 and 384A.**
 - **Components should be aware that the BPN is defined in the applicable supplements as repetition for the Bill-to Party, which is only distinguished by the identifying qualifier being a BPN instead of a DoDAAC.**



Implementation Continued

- **DLA Transaction Services will create a web-enabled update application for the authoritative SFIS Fund Code to Fund Account Conversion Table and will support data replication to external systems. The SFIS Fund Conversion Table will include the current concatenated accounting data element and will include the following data additional elements.**
 - **Department Regular Code**
 - **Department Transfer Code**
 - **Main Account Code**
 - **Sub-Account Code**
 - **Treasury Sub Class**
 - **Limit/Subhead**
 - **Beginning Period of Availability**
 - **Ending Period of Availability**



Implementation Continued

- **DLA Transaction Services will replace the Logistics Report “Fund Code to Fund Account Conversion” report with the “SFIS Fund Code to Fund Account Conversion” report, which will display the SFIS data elements above in addition to the concatenated fund account. A corresponding change will be made to DoD 4000-25-M (MILSBILLS) Appendix 1.1 “Fund Code to Appropriation Conversion Table”.**
- **Component/Agency Fund Code Monitors will review existing fund codes and delete fund codes as appropriate.**
- **Once the Fund Code web update application has been completed, Component/Agency Fund Code Monitors will add the data elements above to the SFIS Fund Code to Fund Account Conversion Table.**
- **Components/Agencies requiring SFIS data for their logistics business processes may coordinate with DLA Transaction Services to establish data replication or alternative means for obtaining fund code table.**



BACK UP



Carry All SFIS Data in Logistics Transactions

- **Concept:** Carry all SFIS data elements in logistics transactions
- **Advantage:** Transactions would contain all SFIS data.
- **Disadvantages:**
 - DoD buyers would have to know all SFIS information and to accurately provide that information to sellers for logistics transaction initiated outside of Component ERPs. This would impact transactions initiated through offline applications, such as emergency call centers, and those initiated through internet ordering applications, such as eMALL, GSA Global and GSA Advantage. ***This might increase the opportunity for human error, for rejected transactions, for unmatched financial transactions and might adversely impact financial eliminations. Warfighter might be impacted.***
 - There is a cost to reconfiguring systems.



Carry All SFIS Data in Logistics Transactions

- **Disadvantages Continued:**

- Summary and Detail bills rely on fund code association for linkage.
- Fund code cannot be retired until all DoD trading partners are DLMS compliant in the “Target To-Be” environment. This would result in a dual system in the extended interim environment.
- The scope of this change and number of impacted systems would make coordinated universal implementation impractical.
- Additional data content may be a concern for Navy ships and operational units deployed to austere locations with bandwidth limitations.



Referential Data Approach

- **Concept:** Add all SFIS financial data elements to Fund Code Table. Carry BPN in transactions.
- **Referential Data Examples:**
 - **Military:** DoDAAC, NSN, Fund Code, Routing Identifier Code (RIC), Military Assistance Program Address Code (MAPAC), BPN (SFIS), Agency Accounting Identifier (AAI - SFIS), Unique Item Identifier
 - **Civilian:** Product SKU, Credit Card, Social Security Number, Driver's License Number
- **Advantages:**
 - Similar referential data approach has been approved for Procurement ([OSD Memo Mar 18 2009 - Linking Financial Data to Contract Documents](#))
 - 'Single Source of Truth' or Master Data ensures that SFIS data elements are always synchronized among all trading partners
 - Eliminates potential for human error for individual SFIS data elements resulting in rejected transactions, unmatched financial transactions and financial elimination issues



Referential Data Approach

- **Advantages Continued:**

- Supports Warfighter Operations, including transactions initiated outside of ERPs
- ERPs/AIT Systems must carry Fund Code in interim environment. Reduces programming/costs.
- Allows non-DLMS compliant systems to get SFIS data

- **Disadvantage:** Disadvantage. Components must purge unused fund codes and ensure sufficient fund codes for Period of Availability.